

**STATE FIRE AND TORNADO FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2006**

	January-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	FYTD	FY05	Ended 6/30/2005	Ended 6/30/2005
<b>LARGE CAP DOMESTIC EQUITY</b>																
<i>Structured Growth</i>																
Los Angeles Capital	719,722	2.8%	2.8%	4.01%	739,668	2.9%	2.8%	3.06%	743,833	2.9%	2.8%	5.46%	13.04%	7.56%	N/A	N/A
<b>Total Structured Growth</b>	<b>719,722</b>	<b>2.8%</b>	<b>2.8%</b>	<b>4.01%</b>	<b>739,668</b>	<b>2.9%</b>	<b>2.8%</b>	<b>3.06%</b>	<b>743,833</b>	<b>2.9%</b>	<b>2.8%</b>	<b>5.46%</b>	<b>13.04%</b>	<b>7.56%</b>	<b>7.46%</b>	<b>-9.18%</b>
<i>Russell 1000 Growth</i>				1.76%				2.98%				4.01%	8.99%	1.68%	7.26%	-10.36%
<i>Structured Value</i>																
LSV	738,486	2.9%	2.8%	4.63%	716,494	2.8%	2.8%	1.52%	748,966	2.9%	2.8%	5.06%	11.59%	18.35%	14.73%	14.78%
<i>Russell 1000 Value</i>				3.88%				1.27%				3.88%	9.28%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																
LA Capital	1,447,120	5.6%	5.6%	4.33%	1,469,336	5.8%	5.6%	2.29%	1,485,614	5.8%	5.6%	6.45%	13.60%	7.93%	N/A	N/A
<i>Russell 1000</i>				2.80%				2.12%				3.95%	9.13%	7.92%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																
Westridge	1,545,679	6.0%	5.6%	2.68%	1,528,392	6.0%	5.6%	2.10%	1,438,400	5.6%	5.6%	3.64%	8.65%	6.58%	N/A	N/A
<i>S&amp;P 500</i>				2.65%				2.09%				3.60%	8.57%	6.32%	N/A	N/A
<i>Index</i>																
State Street	474,109			2.64%	469,006			2.07%	476,528			3.58%	8.51%	6.27%	8.22%	-2.45%
<b>Total Index</b>	<b>474,109</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.64%</b>	<b>469,006</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.07%</b>	<b>476,528</b>	<b>1.8%</b>	<b>1.9%</b>	<b>3.58%</b>	<b>8.51%</b>	<b>6.27%</b>	<b>8.22%</b>	<b>-2.45%</b>
<i>S&amp;P 500</i>				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	-2.37%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>4,925,116</b>	<b>19.0%</b>	<b>18.8%</b>	<b>3.65%</b>	<b>4,922,897</b>	<b>19.3%</b>	<b>18.8%</b>	<b>2.20%</b>	<b>4,893,341</b>	<b>19.0%</b>	<b>18.8%</b>	<b>4.97%</b>	<b>11.19%</b>	<b>8.89%</b>	<b>9.59%</b>	<b>-0.28%</b>
<i>S&amp;P 500</i>				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	-2.37%
<b>SMALL CAP DOMESTIC EQUITY</b>																
<i>Manager-of-Managers</i>																
SEI	1,727,211	6.7%	6.3%	9.03%	1,648,553	6.5%	6.3%	0.95%	1,623,974	6.3%	6.3%	5.46%	16.09%	9.32%	13.32%	N/A
<i>Russell 2000 + 200bp</i>				9.13%				1.64%				5.21%	16.70%	11.64%	15.07%	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>1,727,211</b>	<b>6.7%</b>	<b>6.3%</b>	<b>9.03%</b>	<b>1,648,553</b>	<b>6.5%</b>	<b>6.3%</b>	<b>0.95%</b>	<b>1,623,974</b>	<b>6.3%</b>	<b>6.3%</b>	<b>5.46%</b>	<b>16.09%</b>	<b>9.32%</b>	<b>13.32%</b>	<b>5.50%</b>
<i>Russell 2000</i>				8.97%				1.13%				4.69%	15.37%	9.45%	12.81%	5.71%
<b>INTERNATIONAL EQUITY</b>																
<i>Large Cap - Active</i>																
Capital Guardian	1,130,736	4.4%	4.0%	5.35%	1,160,662	4.6%	4.0%	9.64%	1,085,458	4.2%	4.0%	12.11%	29.50%	10.32%	7.44%	-3.80%
LSV	1,106,527	4.3%	4.0%	5.45%	1,030,671	4.0%	4.0%	4.29%	1,093,543	4.2%	4.0%	11.20%	22.30%	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>2,237,263</b>	<b>8.6%</b>	<b>8.0%</b>	<b>5.40%</b>	<b>2,191,333</b>	<b>8.6%</b>	<b>8.0%</b>	<b>6.96%</b>	<b>2,179,002</b>	<b>8.5%</b>	<b>8.0%</b>	<b>11.67%</b>	<b>25.88%</b>	<b>13.23%</b>	<b>12.39%</b>	<b>7.26%</b>
<i>MSCI EAFE - 50% Hedged</i>				4.98%				5.84%				11.07%	23.41%	14.41%	8.84%	-2.61%
<i>Small Cap - Value</i>																
Lazard	280,340	1.1%	1.0%	7.00%	257,362	1.0%	1.0%	3.01%	261,367	1.0%	1.0%	9.94%	21.18%	18.18%	N/A	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				6.20%				8.94%				12.05%	29.63%	21.33%	N/A	N/A
<i>Small Cap - Growth</i>																
Vanguard	290,396	1.1%	1.0%	7.37%	265,728	1.0%	1.0%	4.92%	264,449	1.0%	1.0%	10.41%	24.38%	24.11%	N/A	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				6.20%				8.94%				12.05%	29.63%	21.33%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>2,807,998</b>	<b>10.8%</b>	<b>10.0%</b>	<b>5.74%</b>	<b>2,714,424</b>	<b>10.6%</b>	<b>10.0%</b>	<b>6.37%</b>	<b>2,704,818</b>	<b>10.5%</b>	<b>10.0%</b>	<b>11.37%</b>	<b>25.28%</b>	<b>15.34%</b>	<b>10.62%</b>	<b>-2.10%</b>
<i>MSCI EAFE - 50% Hedged</i>				4.98%				5.84%				11.07%	23.41%	14.41%	8.84%	-2.61%
<b>DOMESTIC FIXED INCOME</b>																
<i>Core Bond</i>																
Western Asset	4,874,354	18.8%	18.3%	0.44%	4,847,057	19.0%	18.3%	0.28%	4,793,214	18.6%	18.3%	-0.41%	0.31%	7.14%	7.36%	8.59%
<i>Lehman Aggregate</i>				0.01%				0.59%				-0.67%	-0.08%	6.80%	5.75%	7.40%
<i>Index</i>																
Bank of ND	4,339,248	16.8%	18.3%	-0.24%	4,360,962	17.1%	18.3%	0.44%	4,431,784	17.2%	18.3%	-0.84%	-0.64%	4.08%	5.66%	7.26%
<i>Lehman Gov/Credit (1)</i>				-0.18%				0.60%				-0.96%	-0.55%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																
Wells Capital (formerly Strong)	4,843,533	18.7%	18.3%	-0.02%	4,836,969	19.0%	18.3%	0.58%	4,738,788	18.4%	18.3%	-1.05%	-0.49%	9.14%	9.20%	N/A
<i>Lehman US Credit BAA</i>				-0.13%				0.39%				-0.97%	-0.72%	8.60%	9.42%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>14,057,135</b>	<b>54.3%</b>	<b>55.0%</b>	<b>0.07%</b>	<b>14,044,988</b>	<b>55.1%</b>	<b>55.0%</b>	<b>0.42%</b>	<b>13,963,786</b>	<b>54.2%</b>	<b>55.0%</b>	<b>-0.76%</b>	<b>-0.28%</b>	<b>6.14%</b>	<b>6.59%</b>	<b>7.79%</b>
<i>Lehman Gov/Credit</i>				-0.18%				0.60%				-0.96%	-0.55%	7.26%	6.41%	7.70%
<b>CASH EQUIVALENTS</b>																
Bank of ND	2,369,540	9.2%	10.0%	0.39%	2,162,342	8.5%	10.0%	1.07%	2,583,678	10.0%	10.0%	0.93%	2.41%	2.46%	1.74%	2.68%
<i>90 Day T-Bill</i>				0.32%				0.92%				0.83%	2.08%	2.15%	1.55%	2.62%
<b>TOTAL FIRE &amp; TORNADO FUND</b>	<b>25,887,000</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.97%</b>	<b>25,493,204</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.34%</b>	<b>25,769,597</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.13%</b>	<b>5.54%</b>	<b>6.55%</b>	<b>7.91%</b>	<b>4.25%</b>
<i>POLICY TARGET BENCHMARK</i>				1.49%				1.48%				1.62%	4.66%	6.74%	7.33%	4.19%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.